

STATE OF CALIFORNIA

Minutes of the meeting of the
State Lands Commission
Sacramento, California

APPEARANCES

Commissioners Present:

Kenneth Cory, State Controller, Chairman
Mike Curb, Lieutenant Governor, Commissioner
(arrived during Calendar Item 24)
Roy Bell, Deputy Director of Finance, representing
Commissioner Richard T. Silberman, Director of
Finance

Staff Members in Attendance:

William F. Northrop, Executive Officer
R. S. Golden, Assistant Executive Officer
R. C. Hight, Chief Counsel
James F. Trout, Chief, Division of Land Management
and Conservation
Dwight E. Sanders, Chief, Planning and Environmental
Coordination
D. J. Everitts, Chief, Extractive Development--State
Leases
W. M. Thompson, Chief, Extractive Development--Long
Beach Operations
Diane Jones, Secretary

Representing the Office of the Attorney General:

N. Gregory Taylor, Assistant Attorney General
Robert Collins, Deputy Attorney General

Re Minute Items 24 and 25:

Enar Peterson, Deputy City Attorney, City of
Long Beach
A. Wheeler, Sr. Civil Engineer, City of Long Beach

MINUTES OF THE STATE LANDS COMMISSION
MEETING OF

JANUARY 25, 1979

The regular meeting of the State Lands Commission was called to order by Chairman Kenneth Cory at 10:07 a.m. in Room 6028, State Capitol.

Also present were Commissioner Mike Curb, Lieutenant Governor, (arrived at 10:30 a.m. during consideration of Calendar Item 24), and Commission-Alternate Roy M. Bell, representing Commissioner Richard T. Silberman, Director of Finance.

The minutes of the meeting of December 20, 1978 were approved as presented.

EXECUTIVE OFFICER'S REPORT:

The Commissioner approved the recommendations by staff of the appointments to the Santa Barbara Ad Hoc Study Group on Oil and Tar Seeps, as set forth in Mr. Northrop's report. Mr. Northrop's written report is attached as Exhibit "A".

ASSISTANT EXECUTIVE OFFICER'S REPORT:

Mr. R. S. Golden's written report is attached as Exhibit "B".

Attachments: Exhibits "A" and "B"

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EXHIBIT "A"

EXECUTIVE OFFICER'S REPORT

By
WILLIAM F. NORTHROP

SANTA BARBARA CHANNEL AD HOC STUDY GROUP ON OIL AND TAR SEEPS W 9016

AT ITS NOVEMBER MEETING, THE COMMISSION APPROVED THE FORMATION OF A SANTA BARBARA CHANNEL AD HOC STUDY GROUP ON OIL AND TAR SEEPS. THIS STUDY GROUP WILL CONSIST OF REPRESENTATIVES FROM THE STATE, SANTA BARBARA COUNTY AND INDUSTRY. CHARGED WITH THE RESPONSIBILITY TO UPDATE EXISTING OIL AND TAR SEEPAGE DATA IN THE SANTA BARBARA CHANNEL, THIS GROUP WILL ATTEMPT TO DEVELOP SPECIFIC RECOMMENDATIONS FOR THE COMMISSION BY WHICH IT MAY INITIATE REMEDIAL ACTIONS.

THE FOLLOWING NAMES HAVE BEEN SUBMITTED TO STAFF, AND AS YOU REQUESTED AT THAT MEETING, ARE OFFERED TO YOU FOR APPROVAL PRIOR TO THE GROUP'S FORMATION:

WESTERN OIL AND GAS ASSOCIATION: (INDUSTRY)

JACK B. HUNDLEY, ATLANTIC RICHFIELD COMPANY

CLAYTON D. MCAULIFFE, CHEVRON U.S.A., INC.

COUNTY OF SANTA BARBARA BOARD OF SUPERVISORS: (COUNTY)

AL REYNOLDS, DEPARTMENT OF ENVIRONMENTAL RESOURCES

RUSS HANSCOM, PETROLEUM ADMINISTRATOR

JOHN ENGLISH, AIR POLLUTION CONTROL

OFFICE OF PLANNING AND RESEARCH: (STATE)

RICHARD GRIX

IF YOU CONCUR WITH THESE NOMINATIONS, STAFF WILL PROCEED TO NOTIFY THESE PEOPLE AND SCHEDULE ITS FIRST MEETING.

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GEOHERMAL STUDY

W 40148

STAFF WAS ADVISED THIS MONTH THAT THE ENERGY COMMISSION HAS SELECTED THE STATE LANDS COMMISSION TO PERFORM A \$10,000 STUDY ON THE IMPACTS OF REGULATION ON THE DEVELOPMENT AND UTILIZATION OF LOW TO MEDIUM TEMPERATURE GEOTHERMAL RESOURCES FOR DIRECT HEAT, NON-ELECTRIC APPLICATIONS.

AS YOU KNOW, MOST OF THE EXCITEMENT, ACTIVITY AND MONEY HAS BEEN CENTERED ON THE GEYSERS WHERE A UNIQUE VAPOR-DOMINATED GEOTHERMAL SYSTEM MAKES GENERATION OF ELECTRICITY RELATIVELY EASY AND ECONOMICAL. BUT THROUGHOUT CALIFORNIA, THE WESTERN STATES AND THE WORLD, FOR THAT MATTER, THERE ARE VAST UNTAPPED STORES OF HOT GEOTHERMAL WATERS TOO LOW IN TEMPERATURE FOR ELECTRICAL GENERATION, BUT STILL POTENTIALLY USEFUL FOR A VARIETY OF DIRECT HEAT APPLICATIONS SUCH AS SPACE HEATING AND COOLING, AGRICULTURE, AQUACULTURE AND INDUSTRIAL PROCESS HEAT.

WITH THE NOTABLE EXCEPTIONS OF ISOLATED USES IN STATES SUCH AS OREGON, IDAHO AND NEVADA, THIS VAST STORE OF ENERGY HAS, FOR THE LARGE PART, GONE UNUSED IN MOST OF THE WEST AND PARTICULARLY CALIFORNIA.

TESTIMONY LAST YEAR BEFORE THE STATE GEOTHERMAL TASK FORCE GAVE SOME INDICATION THAT REGULATION OF THE DRILLING OF LOW TEMPERATURE WELLS AND THE ECONOMIC IMPACT SUCH REGULATION HAS ON UTILIZATION OF THE RESOURCE, MIGHT BE AN INHIBITING FACTOR ON GREATER DRILLING OF WELLS FOR DIRECT HEAT APPLICATIONS.

WITH ENACTMENT OF SB 1027 LAST YEAR WHICH CHANGED MANY OF THE COMMISSION'S GEOTHERMAL LEASING PROVISIONS, STAFF HAS BEGUN TO DRAFT REGULATIONS FOR LEASING AND MANAGEMENT OF LOW TEMPERATURE RESOURCES FROM STATE-OWNED LANDS. THE ENERGY COMMISSION STUDY JUST AUTHORIZED WILL EXPAND ON THE WORK WE HAVE ALREADY DONE AND WILL INCLUDE AN EXAMINATION OF HOW THIS PROBLEM IS DEALT WITH IN OTHER WESTERN STATES. SUCH WORK WILL INCLUDE INTERVIEWS WITH REGULATORS, AS WELL AS DRILLERS IN THE FIELD, TO DETERMINE THE PROBLEMS AND IDENTIFY POSSIBLE SOLUTIONS.

WE WOULD HOPE TO HAVE A CONTRACT BEFORE YOU BY THE NEXT MEETING WITH AN ESTIMATED MARCH 1 STARTING DATE FOR THE FIVE TO SIX MONTH STUDY AND REPORT.

CALENDAR ITEMS 29 AND 30 ARE PULLED.

EXHIBIT "B"

ASSISTANT EXECUTIVE OFFICER'S REPORT

By

R. S. GOLDEN

THERE ARE THREE ITEMS AFFECTING STATE LANDS COMMISSION INTEREST IN THE COASTAL ZONE.

MONTEREY SAND COMPANY

W 9601
P 3964.1

ON JANUARY 29, THE CENTRAL COAST REGIONAL COMMISSION IS SCHEDULED TO ACT ON A PERMIT APPLICATION BY THE MONTEREY SAND COMPANY TO CONTINUE AND EXPAND ITS SAND EXTRACTION OPERATIONS IN SOUTH MONTEREY BAY. MONTEREY SAND IS CURRENTLY UNDER A STATE LANDS COMMISSION LEASE FOR ITS ACTIVITIES.

AT ISSUE, FOR THE COASTAL COMMISSION, IS WHAT EFFECTS CONTINUED AND EXPANDED SAND EXTRACTION BY MONTEREY SAND, LONESTAR INDUSTRIES AND OTHERS WILL HAVE ON SHORELINE EROSION. THE SAND COMPANY MAY BE ASKED TO CONTRIBUTE TOWARD A 5-YEAR STUDY OF THE LITTORAL PROCESSES OF SOUTH MONTEREY BAY AS A CONDITION OF OBTAINING A COASTAL PERMIT. OUR STAFF IS WORKING WITH THE COASTAL AND OTHER STATE AND FEDERAL STAFFS TO SCOPE THE STUDY, EXPLORE FUNDING SOURCES FOR IT, AND ENSURING THAT NO CONFLICTS ARISE WITH OUR LEASE AS A RESULT OF THE COASTAL COMMISSION'S ACTIONS.

OCS LEASE SALE 48

W 9800.3

STATE LANDS STAFF HAS CONTINUED TO MONITOR THE OCS LEASE SALE 48 PROCESS PLANNED FOR JUNE OF THIS YEAR. THE FINAL ENVIRONMENTAL IMPACT STATEMENT ON THE LEASE SALE IS DUE TO BE PUBLISHED SHORTLY. WE ARE CURRENTLY WORKING WITH OTHER STATE

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AGENCIES ON THE PREPARATION OF THE GOVERNOR'S COMMENTS TO THE SECRETARY OF THE INTERIOR THIS SPRING. OUR COMMENTS, AT THIS TIME, ARE PRIMARILY IN REGARD TO PROTECTING OUR RESOURCES FROM DRAINAGE OF STATE RESOURCES RESULTING FROM MINERAL EXTRACTION ON FEDERAL LANDS, AND ON REQUESTING THE SECRETARY OF THE INTERIOR TO INVOKE HIS AUTHORITY UNDER FEDERAL STATUTES TO REQUIRE "NET PROFIT" RATHER THAN "CASH BONUS" BIDS FOR THIS SALE.

ARCATA LITTLE LEAGUE BASEBALL FIELD

OUR OFFICE HAS RECEIVED MUCH CORRESPONDENCE IN THE LAST COUPLE OF WEEKS REGARDING THE ARCATA LITTLE LEAGUE BASEBALL FIELD DUE TO COME UP BEFORE THE STATE COASTAL COMMISSION IN EARLY FEBRUARY. THE PROJECT APPEARS TO BE LOCATED ADJACENT TO LANDS WHICH MAY BE SUBJECT TO THE PUBLIC TRUST. IT WAS TURNED DOWN BY THE STATE COASTAL COMMISSION ON APPEAL IN AUGUST, 1977, FOR INCONSISTENCY WITH THE WETLANDS PROTECTION POLICIES OF THE COASTAL ACT. SINCE THIS IS AN EXTREMELY CONTROVERSIAL MATTER ON THE NORTH COAST, SOME OF YOU MAY RECEIVE CORRESPONDENCE ON THIS MATTER. YOU SHOULD BE AWARE THAT THE SPECIFIC PLAY FIELD SITE DOES NOT APPEAR TO BE UNDER OUR JURISDICTION, ALTHOUGH A PORTION OF A LARGER PARCEL FROM WHICH THE FIELD PARCEL IS TO BE CREATED MAY BE.

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RECORD OF ACTION TAKEN BY THE
STATE LANDS COMMISSION
AT ITS MEETING OF JANUARY 25, 1979

During the meeting, the recommendations of the staff relative to Calendar Items C1, C2, C3, C4, C5, C6, C7, C8, C9, C10, C11, C12, 13, 14, 15, 16, 19, 20, 21, 22, 23, 27, 28, 31, 32, 33, and 34 were adopted as resolutions of the Commission by unanimous vote.

Commission action on Calendar Item 17 and 18 is set forth on pages 92 and 118.

Calendar Items 29 and 30 were withdrawn from the agenda prior to the meeting (see pages 159 and 166).

Commission action on Calendar Items 24 and 25 were deferred.

Calendar Item 26 was informative, no Commission action necessary.

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